

Message Text

UNCLASSIFIED

PAGE 01 STOCKH 02200 240731Z
ACTION EUR-12

INFO OCT-01 ISO-00 FMC-02 DOTE-00 AID-05 CIAE-00
COME-00 EB-07 FRB-01 INR-07 NSAE-00 USIA-15
TRSE-00 XMB-04 OPIC-06 SP-02 LAB-04 EPG-02 SIL-01
OMB-01 /070 W
-----240738Z 017558 /21

R 231457Z MAY 77
FM AMEMBASSY STOCKHOLM
TO SECSTATE WASHDC 0666
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY COPENHAGEN
AMEMBASSY HELSINKI
AMEMBASSY LONDON
AMEMBASSY OSLO
AMEMBASSY PARIS
AMEMBASSY ROME
USMISSION EC BRUSSELS UNN
USMISSION OECD PARIS UNN

UNCLAS STOCKHOLM 2200

E.O. 11652: N/A
TAGS: ETRN, SW
SUBJ: SWEDISH SHIPPING OFFICIAL WARNS OF DISASTER

1. STURE ODNER, CHAIRMAN OF THE SWEDISH SHIPOWNERS ASSOCIATION, WARNED OF IMPENDING DISASTER FOR SWEDEN'S SHIPPING INDUSTRY RECENTLY IN A PRESS ARTICLE. THE IMMEDIATE OCCASION WAS A RESERVATION ENTERED BY THE ASSOCIATION TO THE LATEST EMPLOYERS' ORGANIZATION (SAF) OFFER IN THE CURRENT WAGE NEGOTIATIONS. "IT WAS NECESSARY TO UNDERLINE THAT SWEDISH SHIPPING HAS REACHED A POINT WHERE EACH NEW ECONOMIC BURDEN COULD MEAN THE DISINTEGRATION OF OUR MERCHANT FLEET ... IT IS STRANGE HOW DIFFICULT IT HAS PROVED TO BE TO GAIN CONFIDENCE IN AND UNDERSTANDING FOR THE FACT THAT WE NO LONGER CAN MANAGE. DOES
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STOCKH 02200 240731Z

EVERY SINGLE VESSEL FLYING THE SWEDISH FLAG HAVE TO DISAPPEAR BEFORE THE NATION UNDERSTANDS THAT THE SHIPOWNERS ARE SPEAKING THE TRUTH?" ODNER SAID.

2. ODNER POINTED OUT THAT SWEDISH COSTS ARE 75-100 PERCENT ABOVE THOSE OF UK, GREEK, AND LIBERIAN FLAGS. THE CURRENT WAGE NEGOTIATION COULD PUSH COSTS UP AN ADDITIONAL 15-20

PERCENT, ODNER SAID, FURTHER REDUCING SWEDEN'S COMPETITIVE ABILITIES. "NATURALLY, WE WILL NOT OPPOSE THE AGREEMENT", ODNER SAID, "BUT THE OUTCOME WILL BE A FURTHER WEAKENING OF SHIPPING OPERATIONS UNLESS EXTRAORDINARY STEPS CAN BE TAKEN. IN NOVEMBER, WE CALCULATED THAT THE SALEN GROUP WOULD RUN AT A LOSS OF ABOUT 90 MILLION KRONOR IN 1977. TODAY WE THINK THE FIGURE WILL BE MORE LIKE 158 MILLION, AND MIGHT WELL BE EVEN HIGHER. MUCH OF THIS IS, OF COURSE, DUE TO THE INTERNATIONAL FREIGHT SITUATION. GREEKS, LIBERIANS, AND ENGLISHMEN ARE TODAY GETTING PAID FOR DAILY OPERATING COSTS BUT NOT FOR CAPITAL INVESTMENT. THIS IS A SITUATION IN WHICH SWEDISH VESSELS MUST AGAIN GO TO THE BUOYS, WHICH IS WHY SALENS IS AGAIN LAYING UP ITS LARGE TANKERS."

3. GUNNAR KARLSSON, CHAIRMAN OF THE SWEDISH SEAMAN'S UNION, AGREED TO SOME EXTENT WITH ODNER, ADMITTING THAT THE SITUATION IS TROUBLESOME. HE WENT ON TO SAY THAT SOME DEGREE OF COOPERATION WOULD BE POSSIBLE, PERHAPS IN EXPLORING THE COSTS OF MANNING SWEDISH FLAG SHIPS -- NOT IN THE SENSE OF WAGE CUTS BUT IN LOOKING AT OTHER COST-CUTTING POSSIBILITIES.
PERRY

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PERSONAL OPINION, MARINE TRANSPORTATION, PRESS CONFERENCES
Control Number: n/a
Copy: SINGLE
Sent Date: 23-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STOCKH02200
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770184-0692
Format: TEL
From: STOCKHOLM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770526/aaaaawth.tel
Line Count: 83
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 449ebf8b-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 21-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2400910
Secure: OPEN
Status: NATIVE
Subject: SWEDISH SHIPPING OFFICIAL WARNS OF DISASTER
TAGS: ETRN, SW, (ODNER, STURE)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/449ebf8b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009